

March 14, 2016

Mr. Charles David Abshire (6SF-AP)  
Remedial Project Manager  
U.S. Environmental Protection Agency  
Region 6  
1445 Ross Avenue  
Dallas, TX 75202-2773

RE: February 2016 Monthly Progress Report  
United States of America and State of Texas v. Alcoa, Inc., et al.; CA No. 3:12-cv-00210  
Malone Service Company Superfund Site - Texas City, TX

Dear Mr. Abshire:

The Malone Cooperating Parties (MCP) submit the February 2016 Monthly Progress Report in compliance with the Consent Decree and Statement of Work for Remedial Design/Remedial Action (RD/RA) at the Malone Service Company Superfund Site in Texas City, TX.

Should you have any questions, please contact me at 919-539-1928 or [bobp@projectnavigator.com](mailto:bobp@projectnavigator.com).

Sincerely,

*R Piniewski*

Robert Piniewski  
Project Coordinator

cc: Marilyn Long - TCEQ  
Malone Cooperating Parties

**MALONE SERVICE COMPANY SUPERFUND SITE  
FEBRUARY 2016 MONTHLY PROGRESS REPORT  
SUBMITTED MARCH 14, 2016**

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**1) SUMMARY OF WORK PERFORMED IN FEBRUARY 2016**

- a) The primary focus of RD/RA work was construction of the Phase 1 RCRA Cell. Field activities involved completion of the Phase 1 RCRA Cell subgrade, placement of one foot of clay liner and installation of eleven acres of geosynthetics (GCL, secondary 80 mil HDPE, Goeonet, primary 80 mil HDPE) and leachate detection system.
- b) Work was conducted at Phase 2 of the RCRA Cell including grading and placement/compacting of one foot of clay.
- c) No solidification of sludge or excavation of soil occurred.
- d) Continued injection of contact stormwater through injection wells.
- e) Submitted weekly RD/RA operations reports to EPA.

**2) SUMMARY OF SAMPLING/TESTING RESULTS**

- a) Collected non-contact storm water samples from the Borrow Area for potential discharge to Swan Lake. Results were compiled and the data summary and lab reports will be filed on-site with the approved Stormwater Management Plan.
- b) QA/QC testing associated with construction of the RCRA cell all achieved passing criteria and will be documented in future reports for both earthwork and geosynthetics installation.

**3) DELIVERABLE STATUS & MODIFICATIONS TO PLANS**

- a) A summary of the most recent Agency Communication is shown in Table 1.
- b) On February 5, 2016, the Explanation of Significant Difference (ESD) was final and effectively approved. All future injection well operations will be performed under CERCLA authority.
- c) On February 11, 2016, the MCP received an e-mail notification of the termination of the EPA Emergency Response Action for operation of the injection wells.

**4) POTENTIAL PROBLEM AREAS and ACTIONS TO BE TAKEN**

- a) Consistent with the October 30, 2015 Force Majeure notice, which stated that additional extraordinary rainfall would result in additional delays, the additional rainfall observed in November and early December has resulted in additional schedule delays by precluding completion of Phase 1 of the RCRA cell. In March, the MCP will be providing additional detail to EPA regarding these delays and their impact on the schedule.

**5) COMMUNITY RELATIONS ACTIVITIES**

- a) At the request of EPA, PNL and the MCP assisted the EPA with coordination of conducting an off-Site ESD Public Comment meeting on January 28, 2016 at the Nessler Center in Texas City, TX.

**6) CHANGE IN PERSONNEL OR OPERATIONS**

- a) None.

## **7) SCHEDULE**

- a) Consistent with the October 30, 2015 Force Majeure notice, which stated that additional rainfall would result in additional delays, the additional rainfall observed in November and December associated with the “super El Nino” has continued to delay the installation of the lining of Phase 1 of the RCRA cell and therefore has resulted in additional schedule delays. February weather has been favorable allowing construction of the RCRA Cell to resume. The MCP will be providing additional detail to EPA regarding these delays and their impact on the schedule.

## **8) PROJECTED WORK FOR NEXT TWO REPORTING PERIODS – MARCH and APRIL 2016**

- a) The Phase Two RA work anticipated for the next two reporting periods, subject to potential further delays caused by extraordinary rainfall events, is as follows:
  - i) Continue solidification of sludge.
  - ii) Continue excavation of soil.
  - iii) Continue construction of RCRA Cell.
  - iv) Begin placement of operations layer material into Phase 1 of the RCRA cell.
  - v) Continued operation of the injection wells and pre-treatment system. Submit monthly operations reports to EPA.
- b) Discussion with EPA regarding the effects of the record-setting El Nino on the project schedule.
- c) Continue Independent Quality Assurance Team work.

**Table 1**  
**Recent Agency Communication Summary**  
**Malone Service Company Superfund Site – Texas City, TX**

<b>Date</b>	<b>MCP Communication Summary</b>	<b>Response From EPA Date</b>	<b>EPA Communication Summary</b>	<b>Notes</b>
10/16/13	Via email the MCP, under Section XIX (Force Majeure) of the governing Consent Decree, notified EPA that due to the government shutdown and other circumstances there would be a delay in the submission of the Phase One RA Work Plan. The MCP will provide the information prescribed by Paragraph 74 of the Consent Decree once the government shutdown has ended and the MCP has been able to consult with EPA regarding various technical issues and the schedule going forward.	pending		
12/9/13	Submitted written request for approval for 45 day schedule extension for submittal of the draft Phase One RA Work Plan due to the Government shutdown.	12/12/13	EPA approved the request.	
12/20/13	Submitted draft Phase One RA Work Plan and appendices including the Phase One Remedial Design Investigation Report.	1/31/14	EPA comments received on 1/31/14.	
1/31/14	MCP received EPA & TCEQ comments on Phase One RA Work Plan	n.a.		
2/13/14	PNL notified EPA that in response to a petition filed by representatives of the MCP the Galveston County District Court ordered that any remains in the cemetery at the Malone Site be removed to a perpetual care cemetery. The court also ordered removal of the cemetery dedication. Further permits will be obtained from the State Registrar as needed.	Noted.	MCP provided EPA a copy of the Court Order on March 6, 2014.	
2/19/14	MCP representatives and EPA discussed the MCP's intent to prepare a petition to renew the No Migration Exemption (from hazardous waste land disposal restrictions) for operation of the injection wells, and to perform well rehabilitation at WDW-73 and WDW-138 to increase injection capacities to permitted levels. The MCP also requested postponement of Mechanical Integrity Testing (MIT) and 5 year temperature log testing until after well rehabilitation work is complete. EPA requested a review of well rehabilitation procedures and agreed to postpone MIT and 5 year temperature log until after the rehabilitation	2/19/14	EPA requested a review of well rehabilitation procedures and agreed to postpone MIT until after the rehabilitation.	

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2/20/14	The MCP notified EPA that it has completed the second required payment of \$12 million to the Malone Site Trust (held by Bank of New York Mellon) pursuant to Section 3(b) of the Malone Service Company Superfund Site Trust Agreement.	n.a.		
3/3/14	The MCP submitted its responses to Agency comments on the draft Phase One RA Work Plan.	3/4/14	EPA approved the response to comments via email.	
3/4/14	The MCP received information from EPA to facilitate the approval/reissuance of the No Migration Exemption for the injection well.	n.a.		
3/6/14	The MCP submitted a copy of the order of the Galveston County District Court granting our motion for summary judgment on the petition for removal of remains and removal of the cemetery dedication regarding the cemetery area at the Malone Site.	n.a.		
3/10/14	The MCP submitted the Final Phase One RA Work Plan and Storm Water Management Plan V1.	3/25/14	EPA approved the Phase One RA Work Plan.	
3/25/14	The MCP notified EPA and TCEQ that ENTACT will mobilize to the Site on April 7, 2014 to begin Phase One RA work and that MCP representatives will also be mobilizing on April 7, 2014 to begin cemetery relocation work.	n.a.		
4/7/14	The MCP submitted a request to shift the installation of the dewatering system and slurry wall from Phase Two to Phase One RA work. The early install of these remedy elements will allow the MCP to begin dewatering sooner and improve solidification efforts.	4/10/14	EPA approved the request.	
5/9/14	The MCP submitted the injection well rehabilitation procedures for the injection wells at the Site.	5/29/14	EPA approved the procedures.	

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6/12/14	The MCP submitted revised injection well rehabilitation procedures for injection well WDW-138.	6/13/14	EPA approved the revised procedures.	
8/15/14	The MCP requested a 60 day extension for submittal of the draft Phase Two RD/RA Work Plans	8/18/14	EPA approved the extension.	
9/4/14	The MCP submitted WDW-138 MIT and workover reports.	11/21/14	Approved pending falloff testing.	
9/29/14	The MCP submitted WDW-73 MIT and workover reports.	11/21/14	Approved pending falloff testing.	
10/16/14	The MCP submitted a request to EPA to modify the performance specification for treated material (solidified sludge) at the Site from a minimum Unconfined Compressive Strength (UCS) of 25 psi with no free liquids to a minimum UCS of 15 psi with no free liquids.	12/23/14	EPA approved the modified performance specification	
10/20/14	The MCP submitted the draft Phase Two Remedial Design and Remedial Action Work Plan and an updated Construction Quality Assurance Plan.	1/23/15	EPA and TCEQ provided comments	
11/3/14	Submitted request to shift cleaning and demolition of tanks containing sludge from Phase One to Phase Two work to EPA.	11/13/14	EPA approved the request.	
11/6/14	Submitted documentation of insurance coverage as required by the CD/SOW.	n.a.		
1/23/15	Received EPA and TCEQ Comments on draft Phase Two Remedial Design and Remedial Action Work Plan.	n.a.		
1/29/15	Received EPA approval of ENTACT's Quality Management Plan	n.a.		
2/20/15	The MCP notified EPA that it has completed the third required payment of \$16 million to the Malone Site Trust (held by Bank of New York Mellon) pursuant to Section 3(b) of the Malone Service Company Superfund Site Trust Agreement.	n.a.		

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2/25/15	Submitted email request for mobilization date of March 23, 2014 and slight modification to stormwater discharge outfall.	2/25/15	EPA approved the request and modification.	
3/11/15	Submitted MCP's Response to EPA and TCEQ Comments received on 1/23/15.	3/30/15	Received EPA and TCEQ's Comments on MCP's 3/11/15 Response to Comments.	
4/24/15	Submitted MCP's Response to EPA and TCEQ Comments received on 3/30/15	4/27/15	EPA approved the response to comments	
5/19/15	Submitted Section 2.0, Geology, to EPA and UIC for 2015 Hazardous Waste Disposal Injection Restriction (HWDIR) renewal application	pending		
5/26/15	Submitted Final Phase Two RD/RA Work Plans, Stormwater Management Plan Addendum #2 and updated Construction Quality Assurance Plan (for Phase Two work)	4/27/15	EPA approved mobilization for Phase Two work.	
6/8/15	Submitted Phase One Completion Report	6/26/15	EPA approved the Report	
6/15/15	Submitted Sections 1, 3 and 4 to EPA and UIC for 2015 Hazardous Waste Disposal Injection Restriction (HWDIR) renewal application	pending		
7/14/15	Submit Emergency Response Operating Procedures for WDW-138 and WDW-73	7/15/15	Received EPA comments on 7/15/15	
7/21/15	Submitted MCP's Response to EPA comments dated 7/15/15	7/20/15	EPA Approved Operating Procedures	
8/4/15	Submit draft materials requested by EPA for support at Public Meeting.	pending		
8/7/15	Submit 2015 Well Testing Report for WDW-73	pending		

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9/3/15	Submit Response to Comments on Stormwater Management Plan Addendum #2	9/1/15	TCEQ requested minor changes and the Responses were re-submitted on 9/3/15	
9/14/15	Submit Cost Certification for completion of Milestone #1 (Phase One)	9/22/15	EPA requested additional information.	
9/23/15	Submit additional Cost Certification information per EPA request of 9/22/15.	pending		
10/9/15	Submit Petition to Modify Timing and Amount of Performance Guarantee Trust to EPA.	10/22/15	EPA granted an extension for the next deposit to the Trust until March 23, 2016.	
10/26/15	Notify EPA of a Force Majeure event (significantly higher than average amounts of rainfall) that will delay completion of Phase Two until at least mid-December 2016.	12/45/15	EPA only approved 30 days of the 60 days requested.	The rainfall observed subsequent to the Force Majeure notice have resulted in additional delays
12/15/15	EPA provided signed copy of the Explanation of Significant Difference (ESD) for continued operation of the injection wells.	n.a.		
1/28/16	PNL and MCP assisted EPA with holding an ESD Public Comment Meeting at the Nessler Center in Texas City, TX.	n.a.		
2/5/16	EPA notified the MCP that the ESD was final and effectively approved. All future injection well operations will be performed under CERCLA authority.	n.a.		



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<b>Date</b>	<b>MCP Communication Summary</b>	<b>Response From EPA Date</b>	<b>EPA Communication Summary</b>	<b>Notes</b>
2/11/16	MCP received an e-mail notification of the termination of the EPA Emergency Response Action for operation of the injection wells.	n.a.		